

HOUSE BILL 3050
By Rinks

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 6, Parts 1 and 2, relative to farm equipment and machinery.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-102(8), is amended by the following:

- (1) inserting the language "or harvesting" between the word "producing" and the word "agricultural" in the second line thereof; and
- (2) inserting the language "timber and" between the word "including" and the word "nursery" in the third line thereof.

SECTION 2. Tennessee Code Annotated, Section 67-6-207, is amended by adding the following as new appropriately designated subsections:

() The provision of this section shall apply to the purchase, lease, and/or use of farm equipment and machinery intended to be used by the purchaser on land owned by another, as well as on land owned by or leased to the purchaser. Such use shall be deemed to be for "farming purposes".

() The seller or lessor of equipment and machinery that may be used for both farming and nonfarming purposes may sell or lease such equipment and machinery without collecting the sales tax, upon receipt from the purchaser of a statement or certificate made under oath, or under the penalties of perjury, that the purchaser's or

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lessee's principal intended use of the equipment and machinery is for farming purposes.

No statement or certificate shall be required in order to sell or lease equipment and machinery pursuant to this act which has no practical use other than for farming purposes.

SECTION 3. This section shall control notwithstanding any statutory or regulatory provision to the contrary.

SECTION 4. It is the clear intent of the general assembly that the provisions of this Act shall be retroactive to July 1, 1991, so as to define which farm equipment and machinery shall be subject to the exemption as of that date, the public welfare requiring it.